California Environmental Protection Agency

1001 I Street, 25th Floor Sacramento, California 95814

Phone: (916) 445-3846 Fax: (916) 445-6401



Arnold Schwarzenegger GOVERNOR

California Resources Agency 1416 Ninth Street, Suite 1311

Sacramento, California 95814 Phone: (916) 653-5656

Fax: (916) 653-8102

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To: Interagency Ocean Policy Group

White House Council on Environmental Quality

722 Jackson Place, NW Washington, DC 20503

Cc: Chairman James Connaughton, Council on Environmental Quality

Tony MacDonald, Coastal States Organization

From: Mike Chrisman, California Secretary for Resources

Terry Tamminen, California Secretary for Environmental Protection

Subject: Public Comment on Final Report

Thank you for the opportunity to share California's vision regarding important next steps for protecting and managing the nation's ocean and coastal resources. In his comments on the Preliminary Report of the U.S. Commission on Ocean Policy, Governor Arnold Schwarzenegger stated, "Your report is a wake-up call that our oceans are in trouble and in need of help. In response to this need, actions must take place at the international, national, state, regional, and local levels, as these issues are just as important globally as they are to concerned citizens trying to protect the waters off a local beach." The state of California commends the Commission's comprehensive blueprint for national ocean policy reform identified in their Final Report, and is working vigorously to implement key recommendations from this report at the state level.

Governor Schwarzenegger recently released a plan that sets forth 13 actions designed to reinvigorate ocean and coastal management in California. In June 2004, the Governor directed that this plan, titled *Protecting our Ocean: California's Action Strategy* (Ocean Action Plan), be developed by the California Resources Agency and the California Environmental Protection Agency within 90 days. The Ocean Action Plan demonstrates California's commitment to lead the nation in implementing key recommendations made by the Commission.

The Schwarzenegger administration urges the President and the Council on Environmental Quality to take immediate action to reform the nation's ocean policy and to present a strong proposal to Congress by the deadline established in the Oceans Act of 2000. In this letter, I will highlight California's priorities for action within the categories of Governance; Economic Assessment and Funding; Research, Education, and Technology Development; and Stewardship. These priorities have been developed in consultation with other states through the Coastal States Organization and are derived from the Governor's comments on the Preliminary Report and the recently released Ocean Action Plan.

Governance

- Role of States, Territories, and Commonwealths. States, territories, and commonwealths (states) are on the front lines of ocean and coastal issues. We strongly support the changes made in the Final Report that clarify and strengthen the role of states in ocean and coastal management particularly with regard to regional governance and assessments. Future improvements to national ocean policy recommended by your process should build on these current state and regional activities and emphasize the need for the federal government to provide financial and technical support to these efforts.
- Integrated National Ocean Policy. Immediate steps should be taken to implement an integrated national ocean policy with clear and measurable management goals. California concurs with the Commission's recommendation to establish a National Ocean Council and a Presidential Council of Advisors on Ocean Policy, which includes representatives from coastal states. California requests that coastal states also have representation on the National Ocean Council because of our critical role in ocean and coastal management. Governor Schwarzenegger recently signed state legislation into law (SB 1319, California Ocean Policy Act) that requires the creation of a California Ocean Protection Council to help achieve these goals at the state level.
- Clarify the Roles of Federal Agencies. The Commission's recommendations to strengthen the federal agency structure are necessary because many federal agencies have ocean and coastal management responsibilities and their roles and functions need to be clarified and better coordinated. This clarification of roles and enhanced coordination should be a high priority for the recommended National Ocean Council and the Presidential Council of Advisors.
- Establish Regional Councils. We agree with the Commission that management of regional issues could be enhanced through a system of regional councils supported by the National Ocean Council. However, we only support these regional councils if they are able to enhance existing efforts at regional scales without duplication. California has several ongoing regional ocean and coastal management efforts in fisheries, habitat protection, and beach sediment control that could benefit from additional support from the federal government.
- Re-authorize Coastal Zone Management Act (CZMA). California strongly supports the re-authorization of the Coastal Zone Management Act with the inclusion of strong federal

- consistency and coastal non-point pollution provisions and federal funding levels appropriate for implementation. The CZMA provides a critical tool for coastal states, particularly with regard to activities such as offshore oil and gas development in federal waters that can significantly impact the coastal zone.
- Lead the world in ocean management. We concur with the Commission's call for the United States to ratify the Law of the Sea Convention and regain our position as a world leader in ocean and coastal management. Ratification would allow the United States to be fully engaged in management and commerce matters at the international level.
- Evaluate International Trade Agreements. In the Final Report, the Commission notes that the "impacts of these (international trade) agreements need to be carefully considered, and efforts made to review each agreement to ensure its provisions and U.S. ocean policy objectives are consistent and mutually supportive." California calls attention to this comment since it does not appear in the Commission's formal recommendations, and we believe it is critical that all international trade agreements are evaluated for potential impacts on ocean and coastal management.

Economic Assessment and Funding

- Need for National Ocean Economic Accounting System. The Commission's report highlights the importance of ocean assets to our nation's economy and recognizes the need to evaluate the oceans' contribution to our economy. Although there is some discussion of the need for economic monitoring in the Final Report, there are no formal recommendations to establish or fund a national ocean economic accounting system. In California's Ocean Action Plan, the state has committed to finalize a report on California's Ocean Economy and determine our current level of investment in ocean and coastal management. California recommends that these efforts also occur at the national level by establishing a national ocean accounting system.
- National Ocean Policy Trust Fund. California supports establishing a National Ocean Policy Trust Fund to provide a reliable source of funding for ocean and coastal management activities. However, California will not support any fund that creates incentives for offshore oil and gas development. In the Final Report, the Commission clarified that the Fund "is not intended to either promote or discourage offshore uses authorized under existing laws." California recommends that Congress explicitly structure the Fund, if created, to not provide incentives for new leases. California is also concerned about the long-term sustainability of funding sources for the Fund and suggests that this issue be thoroughly evaluated.

Research, Education, and Technology Development

• Strengthen Coastal Research Programs. Coastal research programs need to be supported and strengthened to keep pace with our ocean management demands. We concur with the Commission's recommendation to double the federal ocean and coastal research budget and support research programs such as the National Sea Grant Program. The

Commission's Final Report emphasizes the important role of states in ocean and coastal management. California recommends that federal research priorities be developed in consultation with coastal states and other stakeholders. Much of this coordination is already occurring through the actions of the Coastal States Organization in their efforts to identify and convey state ocean science needs to the federal government.

- Promote Lifelong Ocean Education. Building national awareness of our oceans is
 necessary to promote long-term good stewardship of this important resource. California
 supports the Commission's recommendations to strengthen both formal and informal
 education programs. The California Ocean Action Plan makes this a high priority for our
 activities at the state level.
- Create an Integrated Ocean Observing System. Development of an Integrated Ocean
 Observing System is a high priority for California, and we concur with the Commission's
 strong support for the deployment of this technology. We have committed \$21 million to
 our state's Ocean Currents Monitoring System and hope to lead the nation in this effort.
 However, our effort to build this system is dependent on strong support from a national
 ocean observation system.

Stewardship

- Support an Ecosystem Management Approach. California has been a leader in developing and implementing ecosystem management approaches to ocean and coastal management with efforts such as our Marine Life Management and Marine Life Protection Acts. We applaud the Commission's recommendation that ecosystem management be a "guiding principle" of ocean management and support its broad application in the reform of national ocean policy.
- Use Marine Protected Areas as a Tool. We support the Commission's recommendation to have the National Ocean Council coordinate Marine Protected Area (MPA) efforts nationwide by developing guidelines for effective design, implementation, and evaluation. California is currently implementing the Marine Life Protection Act, which directs the state to design and manage a network of MPAs. We encourage other states to follow California's example and urge the Administration to further efforts to establish MPAs in federal waters.
- Building Sustainable Fisheries. Many of our nation's fisheries are declining under current management practices; therefore, improvements to our fisheries management systems are needed to prevent unrecoverable population crashes. California's Marine Life Management Act provides clear focus for implementing ecosystem-based fisheries management. California supports the Commission's recommendations for improving fisheries management and urges the Administration and Congress to take immediate actions to implement them.
- Reduce Non-point Source Water Pollution. Reducing non-point source water pollution is a high priority for California because it is the single most significant source of ocean

water pollution in our state. Governor Schwarzenegger voiced his opposition to the transfer of the coastal non-point source pollution program from the National Oceanic and Atmospheric Administration to U.S. Environmental Protection Agency recommended in the Commission's Preliminary Report. In the Commission's Final Report, this recommendation has been changed to propose instead that non-point source pollution programs be evaluated to identify possible improvements to these programs. California commends the Commission on this change and encourages efforts to improve and enhance existing programs.

- Support Watershed Management. California concurs with the Commission's emphasis on managing coastal resources on a watershed basis. Building strong partnerships has allowed California to make substantial progress in coordinating resource management on a watershed scale. Monitoring is a critical component to successful watershed management, and we fully support the Commission's recommendations regarding the need for monitoring to achieve results at the watershed level.
- Preventing the Spread of Invasive Species. California strongly supports the
 Commission's recommendations to reform the current ballast water programs and
 implement a strong national program to prevent the introduction of and speed the
 eradication of non-native species. The spread of invasive species is a serious problem in
 California, as it is in many other states.
- Protecting Coastal Wetlands. California agrees that wetland management would benefit from coordination from the National Ocean Council. The Commission's Final Report reflects California's request that the national program assess states' interests and funding needs for wetland programs.
- Manage Sediment on a Regional Basis. California is currently working on a Coastal Sediment Management Master Plan to identify sediment management issues on a regional basis for the entire California coast. We believe that this approach will be a successful for California and for the nation, and we strongly support the Commission's recommendation for enhanced efforts to manage sediments on a regional basis. We hope to be involved in the development of the national sediment management strategy to share our lessons learned and recommendations.

Governor Schwarzenegger has made ocean protection a top priority. We hope to work with the Administration as you prepare your proposal to Congress as required by the Oceans Act of 2000. Please let us know how we can provide further assistance.